



The Commonwealth of Massachusetts
DEPARTMENT OF
TELECOMMUNICATIONS AND ENERGY

BAY STATE GAS COMPANY
D.T.E. 05-48

**SECOND SET OF INFORMATION REQUESTS OF THE DEPARTMENT OF
TELECOMMUNICATIONS AND ENERGY TO BAY STATE GAS COMPANY**

Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy ("Department") submits to Blackstone Gas Company ("Bay State" or "Company") the following Information Requests:

INSTRUCTIONS

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.

5. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please file one copy of the responses with Mary L. Cottrell, Secretary of the Department and on all parties; also submit one (1) copy of the responses to John J. Geary, Hearing Officer; one (1) copy of the responses to Andreas Thanos, Assistant Director, Gas Division; one (1) copy of the responses to Rebecca Hanson, Analyst, Gas Division; and one (1) copy of the responses to Elizabeth Jackson, Analyst, Gas Division.
8. In addition to filings, all non-proprietary responses should be submitted by e-mail to dte.efiling@state.ma.us and to the e-mail address of any party required to be served.
9. Responses are due on or before September 23, 2005.

INFORMATION REQUESTS

- | | |
|---------|---|
| DTE 2-1 | Please explain how Bay State and its customer benefit separately from the proposed contracts with TransCanada Pipelines Ltd. (“TransCanada”) and Union Gas Limited (“Union”). |
| DTE 2-2 | Please provide all workpapers and documentation used to determine any positive or negative financial effects on consumers under the TransCanada and Union contracts. |
| DTE 2-3 | Please explain in detail how this proposal is consistent with the Company’s most recently approved forecast and supply plan. Refer to the relevant pages of Bay State’s filing and/or relevant pages of the Department’s decision. |
| DTE 2-4 | Explain in detail with supporting documentation, data, and assumptions how the Company’s proposal differs from a contract for incremental supply. Will the contracts with TransCanada and Union result in an increase of Bay State’s maximum daily quantity of gas? |

- DTE 2-4 Explain why Bay State did not conduct a competitive solicitation process.
- DTE 2-5 For each of the TransCanada and Union contracts: (a) identify the range of alternative options considered; and (b) explain how the alternative options compare to the contracts.
- DTE 2-6 Please refer to Mr. DaFonte's testimony at 13. In the event that Bay State "trigger[s] an Event of Cancellation, by e.g., failing to obtain its required authorizations, its estimated maximum exposure would be \$8,912,2304." Would Bay State seek to recover this amount from ratepayers?
- DTE 2-7 Please refer to Mr. DaFonte's testimony at 8. With regard to the Union contract, explain why Dawn was selected as the primary receipt point and Parkway was selected as the delivery point. With regard to the TransCanada contract, please explain why the receipt point of gas is Parkway and the delivery point is Waddington, New York. Provide and analysis of the two contracts as they relate to the flow of gas to Bay State's Citygate.
- DTE 2-8 Please refer to Mr. DaFonte's testimony at 7. Explain with supporting detail, data, and assumptions the basis for the statement that the Renewal Group selected Dawn as a purchase point for gas due to "liquidity at Dawn, the stable basis between Dawn and Henry Hub, the six different pipeline feeds from multiple supply basins, the access to storage in Ontario and Michigan, and lower demand charges relative to TransCanada's long-haul."
- DTE 2-9 Please refer to the Financial Assurances Agreements at Exhibit FCD-6. State the amount of financial exposure to Bay State under its contract with TransCanada.